



Senate

General Assembly

File No. 853

January Session, 2007

Substitute Senate Bill No. 751

Senate, May 21, 2007

The Committee on Planning and Development reported through SEN. COLEMAN of the 2nd Dist., Chairperson of the Committee on the part of the Senate, that the substitute bill ought to pass.

***AN ACT CONCERNING THE ESTABLISHMENT OF A SENIOR
CITIZEN VOLUNTEER SERVICES TAX CREDIT PROGRAM.***

Be it enacted by the Senate and House of Representatives in General Assembly convened:

- 1 Section 1. (NEW) (*Effective October 1, 2007, and applicable to assessment*
- 2 *years commencing on or after October 1, 2007*) Any municipality may,
- 3 upon approval by its legislative body, abate the property taxes due for
- 4 any tax year or the interest on delinquent taxes from a tax payer who
- 5 has provided volunteer services on behalf of a municipality and who is
- 6 sixty years of age or older. Such abatement shall be the product of the
- 7 number of hours that such taxpayer volunteered multiplied by ten
- 8 dollars for each hour of volunteer service. Any such abatement shall be
- 9 redetermined on an annual basis utilizing volunteer service hours
- 10 provided during the course of the assessment year. The legislative
- 11 body may establish the maximum amount of taxes that may be abated.
- 12 A property tax abatement granted to any taxpayer in accordance with
- 13 the provisions of this section shall be excluded from any calculation of
- 14 income for purposes of determining the eligibility for, or the benefit

15 level of, such tax payer under the provisions of sections 12-81f, 12-81g,
16 12-129b to 12-129d, inclusive, 12-129n, 12-170v, 12-170w and 12-170aa
17 of the general statutes and any property tax abatement provided under
18 this section shall be in addition to any such benefits for which such
19 taxpayer is eligible under sections 12-81f, 12-81g, 12-129b to 12-129d,
20 inclusive, 12-129n, 12-170v, 12-170w and 12-170aa of the general
21 statutes.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2007, and applicable to assessment years commencing on or after October 1, 2007</i>	New section

Statement of Legislative Commissioners:

The first section of section 1 was rewritten for clarity.

PD *Joint Favorable Subst.*

The following fiscal impact statement and bill analysis are prepared for the benefit of members of the General Assembly, solely for the purpose of information, summarization, and explanation, and do not represent the intent of the General Assembly or either chamber thereof for any purpose:

OFA Fiscal Note

State Impact: None

Municipal Impact:

Municipalities	Effect	FY 08 \$	FY 09 \$
All Municipalities	Revenue Impact	See Below	See Below

Explanation

The bill allows a municipality to establish a program to abate property taxes due for a taxpayer age 60 or older who performs volunteer services for the town. Municipalities electing to establish a program will experience a revenue loss that may necessitate an increase to their mill rate or a modification to their budget to offset the loss.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation.

OLR Bill Analysis**sSB 751*****AN ACT CONCERNING THE ESTABLISHMENT OF A SENIOR CITIZEN VOLUNTEER SERVICES TAX CREDIT PROGRAM.*****SUMMARY:**

This bill allows any town, upon approval by its legislative body, to abate the property taxes or interest on delinquent taxes owed by a taxpayer age 60 or older who performs volunteer services for the town. The abatement amount must be \$10 per hour of volunteer service and must be redetermined annually using volunteer service hours during the assessment year. The bill authorizes the legislative body to cap the taxes that may be abated.

It allows abatement recipients to (1) exclude it from income when applying for specified other property tax abatement programs and (2) receive the abatements in addition to other property tax relief for which they qualify.

The other property tax relief programs for which the taxpayers can still qualify under the bill include state and local option veterans' property tax exemptions, the elderly tax freeze program (which has not accepted new applicants since 1980), local option municipal property tax relief programs, the elderly and disabled property tax relief program (known informally as "the circuit breaker"), and the local option municipal tax freeze program authorized in 2006.

EFFECTIVE DATE: October 1, 2007 and applicable to assessment years beginning October 1, 2007

BACKGROUND***Legislative History***

The Senate referred the bill to the Planning and Development Committee, which reported a substitute that

1. eliminates authority under the bill for abatement approval by the board of selectmen in towns where the legislative body is a town meeting;
2. authorizes the town legislative body to cap the taxes that may be abated;
3. clarifies that the abatement is exempt from income when determining eligibility for other programs; and
4. adds state and local option veterans' property tax exemptions to the list of programs for which a participant in this program can still be eligible.

COMMITTEE ACTION

Select Committee on Aging

Joint Favorable Change of Reference

Yea 12 Nay 0 (03/06/2007)

Finance, Revenue and Bonding Committee

Joint Favorable

Yea 50 Nay 1 (04/10/2007)

Planning and Development Committee

Joint Favorable Substitute

Yea 13 Nay 0 (05/07/2007)